



CEYLON SHIPPING CORPORATION LTD

ANNUAL BUDGET 2019/2020



National Carrier of Sri Lanka

Appendix-01

Budgeted Statement of Comprehensive Income
For the year ended 31st March 2020

		2019/2020 Budgeted	2018/2019 Budgeted
	Note	Rs'000	Rs'000
Revenue	1	3,449,788	2,696,842
Direct Expenses	2	(2,567,431)	(1,998,833)
Gross Profit		882,357	698,009
Other Income	3	32,008	87,900
Administration Expenses		(258,291)	(267,465)
Profit / (Loss) from Operations		656,074	518,444
Finance Expenses	4	(958,885)	(1,190,326)
Profit/(Loss) Before Taxation	5	(302,811)	(671,882)
Income Tax Expenses	6	-	-
Profit /(Loss) for the year		(302,811)	(671,882)
Basic Earnings per Share	7	(61)	(134)

Appendix-02

Ceylon Shipping Corporation Ltd
Budgeted Statement of Financial Position
As at 31st March 2020

	Note	Rs'000
Assets		
Non-current Assets		
Property, Plant and Equipment	8	9,709,797
Investments in Associates	9	305,497
Available for sale financial assets	10	21,219
Total Non-current Assets		10,036,513
Current Assets		
Inventories	11	149,230
Short-term Investments	12	24,758
Held to Maturity Investments	13	190,000
Trade and Other Receivables	14	1,017,092
Cash and cash equivalents	15	175,066
Total Current Assets		1,556,146
Total Assets		11,592,660
Equity and Liabilities		
Equity		
Stated Capital	16	50,000
Contribution against Equity Capital		543,940
Available for sale financial Assets reserve		15,739
Capital Reserve		767,030
Revaluation Reserve		3,065
Retained Earnings		(2,141,369)
Total Equity		(761,595)
Non-current Liabilities		
Retiring Benefit Obligation	17	32,993
Peoples Bank loan		11,629,884
Deferred Tax Liability		-
Total Non-current Liabilities		11,662,877
Current Liabilities		
Short term borrowing		
Trade and Other Payables	18	629,462
Statutory Payables	19	53,520
Accrued Expenses		8,396
Total Current Liabilities		691,378
Total Equity and Liabilities		11,592,660

Ceylon Shipping Corporation Ltd
Budgeted Statement of Changes of Equity
For the year-2019/20

	Stated Capital	Contribution Against Equity Capital	Capital Reserve	Revaluation Reserve	Available for sale Financial Assets Reserve	Retained Earnings (at debit)	Rs. '000 Total
Balance as at 01st April 2018	50,000	543,940	767,030	3,065	15,739	(351,934)	1,027,840
Net Profit / Loss for the year 2018/19	-	-	-	-	-	(1,489,447)	(1,489,447)
Loss Arising from Changes in Actuarial Assumption	-	-	-	-	-	-	-
Other comprehensive income							
Balance as at 31st March 2019	50,000	543,940	767,030	3,065	15,739	2,823	2,823
Net Profit / Loss for the year 2019/20	-	-	-	-	-	(1,838,558)	(458,784)
Balance as at 31st March 2020	50,000	543,940	767,030	3,065	15,739	(302,811)	(302,811)
						(2,141,369)	(761,595)

Ceylon Shipping Corporation Ltd
Budgeted Cash Flow Statement
For the year ended 31st March 2020

	Rs.'000
Cash Flows from Operating Activities	
Net Profit / (Loss) before Income Tax Expenses	(302,811)
Adjustments for:	
Depreciation	425,576
Profit on Disposal of fixed Asset	(300)
Gratuity charge for the year	2,927
Dividend income	(459)
Exchange Loss	-
Interest Expense	958,885
Operating Profit / Loss before changes in Working Capital	1,083,818
Inventories	(34)
Trade & Other Receivables	(321,284)
Statutory payables	10,642
Trade & Other Payables	153,978
Accrued Expenses	(1,138)
Cash Generated from/(used in) Operations	925,982
Gratuity Paid	(7,060)
Interest Paid	(958,885)
Net Cash flow from (used in) Operating Activities	(39,963)
Cash Flows from Investing Activities	
Acquisition of Property, Plant & Equipment	(67,020)
Interest Received	15,300
Proceed of Selling Held to maturity	334,249
Short term Investment	-
Proceed from Disposal of fixed assets	300
Dividend Received	459
Net Cash flow from(used in) Investing Activities	283,288
Cash Flows from Financing Activities	
Loan Repayment	(756,000)
Net Cash flow from(used in) Financing Activities	(756,000)
Net Increase/(Decrease) in Cash & Cash Equivalents	(512,675)
Cash & Cash Equivalents at the beginning of the year (Note A)	712,499
Cash & Cash Equivalents at the end of the year (Note B)	199,824
Note A - Cash & Cash Equivalents at the beginning of the year	
Short-term Investments	325,630
Bank Current Account & Cash Balances	386,869
Bank Overdrafts	-
Total	712,499
Note B - Cash & Cash Equivalents at the end of the year	
Short-term Investments	24,758
Bank Current Account & Cash Balances	175,066
Bank Overdrafts	-
Total	199,824

Ceylon Shipping Corporation Ltd
Notes to the Financial Statements
For the year ended 31st March 2020

1 General Accounting Policies

1.1 Reporting Period

The Financial Year is 01st April to following year 31st March.

1.2 Basis of Preparation

Financial statements are prepared under the historical cost basis in accordance with generally accepted Accounting Principles and the Sri Lanka Accounting Standards (SLFRS) lay down by the Institute of Chartered Accountants of Sri Lanka.

1.3 Foreign Currency Conversion

All foreign exchange transactions are converted to Sri Lankan Rupees, which is the reporting currency, at the rates of exchange prevailing at the time the transactions were effected. Monetary assets and liabilities denominated in foreign currencies are translated using year and spot foreign rates. Non monetary assets and liabilities are translated using the exchange rates existed when the values were determined. The resulting gain or loss on conversion of assets and liabilities is accounted in the statement of comprehensive income.

Budgeted foreign currency transactions have been converted into SLRS on the basis of 1 USD = SLRS 180 for the preparation of Annual Budget 2019/20

2. Assets and Basis of their valuation

2.1 Property, Plant & Equipment

The PPE are recorded at cost or valuation less accumulated depreciation and less any impairment in value.

2.2 Depreciation

Provision for depreciation is calculated by using straight line basis on the cost or valuation of PPE other than freehold land, in order to write off such amounts over the estimated useful lives of such assets.

The principal annual rates are as follows:

Vessels	4% straight line method on valuation less residual value
Containers	10%
Buildings	5%
Motor Vehicles, Motor Cycles & Bicycles	25%
Computers	20%
Furniture & Equipments	10%
Spreaders	20%

2.3 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using weighted average method. Inventories comprise of consumable.

2.4 Trade and Other Receivables

Trade receivables are amounts due from customers for services rendered in the ordinary course of business. Collection is expected in the normal operating cycle of the business (with in one year or less) and the receivables are classified as current assets. Trade receivables are recognized initially at fair value (invoice value) and subsequently measured at the original invoice value less provision for impairment as the dues are expected to receive in the normal operating cycle of the business.

The company assess at the end of each reporting period whether there is objective evidence that trade receivables are impaired. Objective evidences of impairment for trade receivables include the company's past experience in collecting payments and number of default payments. Trade receivables are impaired and impairment losses are incurred, only if there is objective evidence of impairment. Trade receivables are assessed individually for impairment.

2.5 Financial Assets

(a) Classification

The company determines the classification of its financial assets at initial recognition and classifies its financial assets as follows:

- I. Loans and receivables
- II. Available for sale Financial Assets (AFS)
- III. Held to Maturity Investments (HTM)

I. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are included in current assets, except for maturities greater than 12 months after the end of the reporting period, which are classified as non current assets. The company's loans and receivables comprise trade and other receivables, investment in term, deposits, deposits and advances and cash and cash equivalents in the end of reporting period.

II. Available for sale Financial Assets (AFS)

Available for sale Financial Assets are non derivatives that are either designated in this category or not classified in any of the other categories. They are included I non current assets unless the investment matures or management intends to dispose of it with in 12 months of the end of the reporting period. Available for sale Financial Assets comprise of long term quoted and unquoted equity investments.

III. Held to Maturity Investments (HTM)

HTM investments are non derivative financial assets with fixed or determinable payments and fixed maturity other than loans and receivables. Investments are classified as HTM if the company has the positive intention and ability to hold them until maturity. HTM investments are included in current assets unless the investment measures more than one year. HTM investments comprise of investment in Government Treasury Bills.

(b) Recognition and Initial Measurement

Financial assets classified as loans and receivables are recognized on the date on which the company originates the transaction. Other financial assets are recognized on the trade-date on which the company becomes a party to the contractual provision of the financial instrument.

A financial asset is measured initially at fair value plus, in the case of assets not at fair value through profit or loss, directly attributable transaction costs.

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership of the financial assets.

(c) Subsequent Measurement

I. Loans and receivables

Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less provision for impairment.

II. Available for sale Financial Assets (AFS)

After initial recognition, quoted equity investments classified as AFS financial assets are measured at fair value. Changes in the fair value of AFS financial assets are recognized in other comprehensive income and presented as available for sale reserve in the statement of changes in equity. Unquoted equity investments are measured at cost less any impairment losses, as currently its fair value cannot be estimated reliably.

III. Held to Maturity Investments (HTM)

HTM investments are measured subsequently at amortized cost using the effective interest method. Amortized cost is computed taking in to account of discount or premium on acquisition and transaction costs.

2.6 Cash and Cash equivalents

In the statement of cash flows, cash and cash equivalents include cash in hand, term deposits held at call with banks, other short – term highly liquid investments with original maturities of three months or less net of bank overdraft.

3. Liabilities & Provisions

3.1 Stated Capital

Ordinary shares are classified as equity.

3.2 Provisions and Contingent Liabilities

Provisions for legal claim and other operational expenses are recognized when the company has a present legal or constructive obligation as a result of a past event, it is probable that an out flow of economic resources will be required from the company and amounts can be estimated reliably.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation.

All contingent liabilities are disclosed as a note to the financial statements unless the possibility of an out flow of resources is remote.

3.3 Employee Benefits

The company has both defined benefit and defined contribution plan.

(a) Defined Contribution Plan

A defined contribution plan is a post employment benefit plan under which the company pays fixed contributions in to a separate entity. The company has no legal or constructive obligations to pay further contributions. The contributions are recognized as employee benefit expense when they are due.

The company contributes 15% on gross emoluments of employee to Employee Provident Fund (EPF) and 3% on gross emoluments of employee to Employee Trust Fund (ETF).

(b) Defined Benefit Plan

The company obligation in respect of defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is measured annually using the projected unit credit method calculated use the gratuity formula. The present value of the defined benefit obligation is determined by discounting the estimated future benefit that employee have earned in return for their services in the current and prior period.

Gains and losses arising from changes in the assumption, current service cost and interest are recognized in the statement of comprehensive income in the period in which they arise.

The retirement benefit obligation is not externally funded.

3.4 Financial Liabilities

The company classifies financial liabilities in to other financial liabilities. The company's other financial liabilities include trade and other payables. The other financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

The company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

3.5 Trade Payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due in the normal operating cycle of the business (with in one year or less). If not, they are classified as non current liabilities.

Trade payables are recognized initially at fair value (transaction price) and subsequently measured at the transition price as they are expected to pay in the normal operating cycle of the business.

3.6 Taxation

Current income tax assets & liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the Commissioner General of Inland Revenue. The provision for income tax is based on the elements of income and expenditure as reported in the financial statements and computed in accordance with the provision of the Inland Revenue Act No. 24 of 2017.

4. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for sale of goods in the ordinary course of company's activities, stated net of value added taxes (VAT) and nation building tax (NBT). The company recognizes revenue when the amount of revenue can be reliably measured and when it is probable that future economic benefits will flow to the company.

The company applies the revenue recognition criteria set out below to each identifiable major types of revenue.

- (a) Voyage Income
Revenue arises from cargo handling and transport services is recognized in the period in which the services are rendered based on the basis of the actual services rendered.
- (b) Charter Hire Income
Revenue from time charter hiring is recognized over the period of the time charter agreement on an accrual basis.
- (c) Agency Fee
Agency fee is recognized as revenue in the period in which the services are rendered based on the completion of services,
- (d) Interest Income
Income is recognized using the effective interest method.
- (e) Gain and losses on Disposal of Property, Plant and Equipment
Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the statement of comprehensive income.
- (f) Dividend Income
Dividend income is recognized when the right to receive payment is established.

5. Expenses

Expenditures incurred in the running of the operation are to income in arriving at the profit for the reporting period.

6. Events occurring after the Reporting Period

All material events after the reporting period have been considered and where appropriate adjustments of disclosures have been made in the respective notes to the financial statements.

Ceylon Shipping Corporation Ltd
Notes to the Financial Statements
For the year ended 31st March 2020

Rs. '000

	2019/2020 Budgeted	2018/2019 Budgeted
1. Revenue		
Voyage Income - NVOCC	663,220	292,040
Voyage Income - Operating CSCL Vessel	1,686,768	1,345,762
Time Charter - CSC vessels	594,180	645,322
Clearing and Forwarding income	27,000	23,500
Agency & Address Commission(1.1)	478,620	390,218
	3,449,788	2,696,842
1.1 Agency & Address Commission		
Fertilizer (Assumed the continuation of present operations)	1,080	160
Income from Transpotation of Coal-Agency Fee	22,500	8,896
Income from Transpotation of Coal-Freight	136,140	112,240
Income from Transpotation of Coal-Lightering	315,900	251,222
Customs Clearance Income	-	16,500
Maritime Training	3,000	1,200
	478,620	390,218
2. Direct Operational Expenses		
Voyage Expenses - NVOCC	519,970	224,330
Voyage Expenses - Operating CSCL Vessel	1,003,333	750,023
Clearing and Forwarding Expenses	18,085	15,575
Coal Transportation Cost	1,487	1,602
Customs Clearance Expenses	350	231
Management fee/Brokerage fee for Time Charter	23,957	52,589
Fixed cost - Ceylon Breeze expenses (2.1)	295,451	272,632
- Ceylon Prince expenses (2.1)	295,451	272,632
Depreciation for Ceylon Breeze & Ceylon Princess	408,160	408,160
Nvocc Insurance (W 3)	1,189	1,059
Husbundary Services on CEB's TUG & Barges- Expenses	-	-
	2,567,431	1,998,833

2.1 Daily Operating Cost (DOC) Calculation for MV. Ceylon Breeze & MV. Ceylon Princess

Operating Cost for the year 2019/2020 (Without Depreciation)

	USD/Rs'000			
	<u>Ceylon Breeze</u>		<u>Ceylon Princess</u>	
	<u>USD</u>	<u>Rs</u>	<u>USD</u>	<u>Rs</u>
Manning - Excluding training Cadets	808	145,471	808	145,471
Stores	115	20,700	115	20,700
Spares	225	40,500	225	40,500
Lubricating Oils	105	18,900	105	18,900
Repair & Maintenance	109	19,620	109	19,620
Insurance				
H&M	86	15,493	86	15,493
P&I	77	13,788	77	13,788
War Cover	5	919	5	919
Freight, Demurrage & Defence	11	1,970	11	1,970
Classification & surveys	30	5,400	30	5,400
	1,571	282,761	1,571	282,761

Fixed Operating Cost for the year 2019/2020 with Management & Administration Cost

	USD/Rs'000			
	<u>Ceylon Breeze</u>		<u>Ceylon Princess</u>	
	<u>USD</u>	<u>Rs</u>	<u>USD</u>	<u>Rs</u>
Operating Cost as per previous schedule	1,571	282,761	1,571	282,761
Management & Administration cost for the year	71	12,690	71	12,690
Operating Cost with Management Cost	1,641	295,451	1,641	295,451
Depreciation	1,134	204,080	1,134	204,080
	<u>USD</u>	<u>Rs</u>	<u>USD</u>	<u>Rs</u>
DOC without Management & Administration Cost	4,304	774,687	4,304	774,687
DOC with Management & Administration Cost	4,497	809,455	4,497	809,455
DOC with Management & Administration Cost and Depreciation	7,603	1,368,577	7,603	1,368,577

US \$ 1 = LKR 180

		2019/2020 Budgeted	2018/2019 Budgeted
3	Other Income		
	Dividends	459	1,000
	Income from Joint Operations(3.1)	15,949	20,100
	Income from Disposal of office furniture /equipments	300	5,000
	Interest on Fixed deposits & Tresury Bills	13,500	60,000
	Interest on Staff Loan	1,800	1,800
		<u>32,008</u>	<u>87,900</u>
3.1	Income from Joint Operations		
	CSCL income from Feeder Service Between Colombo /Chittagong	15,949	9,122
	Profit from operation of Passenger Ferry Service Between Colombo/Tuticorin/Colombo	-	7,898
	CSCL income from Handling of free hand cargo from Malayasia & Singapore	-	2,880
	Documentation Net income from Ocean Master's Shipments	-	200
		<u>15,949</u>	<u>20,100</u>
4	Finance Expenses		
	People's Bank Loan Interest (4.1)	(958,885)	(811,468)
	Exchange Loss	-	(378,858)
		<u>(958,885)</u>	<u>(1,190,326)</u>
	Financing Expenses	<u>(958,885)</u>	<u>(1,190,326)</u>
4.1	People's Bank Loan Interest		
	Loan Interest for two vessels	<u>(958,885)</u>	<u>(811,468)</u>
		<u>(958,885)</u>	<u>(811,468)</u>
	We have not budgeted Exchange losses due to highly volatile exchange rate provided in 2018/19. further the said year exchange rate depreciation was very abnormal i.e. 15% .Therefore we have assumed that USD exchange rate would be fixed Rs. 180 in budgeted year 2019/20		
5	Profit Before Taxation		
	Profit Before Taxation is arrived at after charging all expenses including the following.		
	Directors Remuneration	347	462
	Auditors Remeneration	600	600
	Depreciation	17,416	20,721
	Defined Benefit plan cost - Retiring Gratuity	2,927	4,000
	Staff cost	150,285	157,154
	Professional and Legal Fees	1,400	1,400
6	Income Tax Expenses		
	Current Tax Expense	-	-
	Total Tax Payable	<u>-</u>	<u>-</u>
7	Basic Earning Per Share		
	Amount used as the Numerator		
	Net Profit attributable to Equity holders (Rs.)	(302,811)	(671,882)
	Number of ordinary shares used as the Denominator		
	Weighted Average No. of shares in issue	5,000	5,000
	Basic Earning Per Share (Rs.)	<u>(61)</u>	<u>(134)</u>

8. Property, Plant and Equipment

Rs. '000

Description	Vessels	Containers	Motor Vehicle/ Cycles	Furniture & Fittings	Building	Land and Housing Project	Computers	Total
Cost								
Balance as at 01.04.2018	11,235,780	-	30,930	17,209	43	5,286	23,453	11,312,702
Additions	-	-	9,100	3,424	-	-	900	13,424
Disposals	-	-	-	-	-	-	-	-
Balance as at 31.03.2019	11,235,780	-	40,030	20,633	43	5,286	24,353	11,326,126
Depreciation								
Balance as at 01.04.2018	785,553	-	26,712	12,219	43	1,228	18,372	844,127
Charge for the year	408,160	-	2,525	1,182	-	-	1,780	413,647
On Disposals	-	-	-	-	-	-	-	-
Balance as at 31.03.2019	1,193,713	-	29,237	13,401	43	1,228	20,152	1,257,774
Written Down Value								
As at 31.03.2019	10,042,067	-	10,793	7,231	0	4,058	4,201	10,068,352
Cost								
Balance as at 01.04.2019	11,235,780	-	40,030	20,633	43	5,286	24,353	11,326,126
Additions	-	-	-	4,483	-	-	62,537	67,020
Disposals	-	-	-	(300)	-	-	-	(300)
Balance as at 31.03.2020	11,235,780	-	40,030	24,815	43	5,286	86,891	11,392,846
Depreciation								
Balance as at 01.04.2019	1,193,713	-	29,237	13,401	43	1,228	20,152	1,257,774
Charge for the year	408,160	-	2,860	848	-	-	13,707	425,575
On Disposals	-	-	-	(300)	-	-	-	(300)
Balance as at 31.03.2020	1,601,873	-	32,097	13,950	43	1,228	33,859	1,683,049
Written Down Value								
As at 31.03.2020	9,633,908	-	7,933	10,866	0	4,058	53,031	9,709,797

9.	Investments in Associates		
		No. of Shares % of Holding	Cost as at 3/31/2018
	Ceylon Shipping Lines (Pvt) Ltd	156,942 39	247,582
	Ceylon Shipping Agency (Pvt) Ltd	24500 49	57,915
			<u>305,497</u>
10	Available for sale financial assets		
		No. of shares	Value
	Quoted		
	Mercantile Shipping Ltd	238506	18,842
	Un Quoted		
	Associate Newspapers of Ceylon Ltd		312
	Sri Lanka Port Management & Consultancy Ltd		15
	Ceylon Port Services Ltd		50
	Lanka Coal Company (Pvt) Ltd		2,000
			<u>21,219</u>
11	Inventories		
	Bunker		101,847
	Lubricants		41,400
	Victualling		4,457
	Bond Store		1,026
	Stock of Stationary		500
			<u>149,230</u>
12	Short-term Investments		
	Fixed and Call Deposits		-
	Commercial Bank - Security on Housing Loan Scheme		448
	Special Deposit - BOC		1,310
	Stage Mortgage Bank - Security on Housing Loan Scheme		23,000
			<u>24,758</u>
13	Held to Maturity Investments		
	Investments in Treasury Bills		190,000
14	Trade and Other Receivables		
	Trade Receivables(14.1)		935,581
	Deposits & Advances(14.2)		12,991
	Staff Receivables(14.3)		53,520
	Other Receivables(14.4)		15,000
			<u>1,017,092</u>
14.1	Trade & Other Receivables		<u>935,581</u>
14.2	Deposits & Advances		
	Container deposits		5,000
	Other refundable deposits		6,800
	Advances paid		1,191
			<u>12,991</u>
14.3	Staff Receivables		
	Staff loans		50,000
	Advances & others		3,520
			<u>53,520</u>
14.4	Other Receivables		
	Others		15,000
			<u>15,000</u>

15	Cash and cash equivalents	
	Favourable balances	
	Cash in Hand	120
	Cash at Bank	174,946
		<u>175,066</u>
16	Stated Capital	
	Issued and Fully Paid	50,000
	5,000,000 Ordinary Shares of Rs.10/- each	<u>50,000</u>
17	Retiring Benefit Obligation	
	Balance as at 01.04.2019	37,126
	Provision for the year	2,927
	Payments during the year	(7,060)
	Balance as at 31.03.2020	<u>32,993</u>
18	Trade and Other Payables	
	Trade Payables	629,266
	Deposits Received	86
	Other payables	110
		<u>629,462</u>
19	Statutory Payables	
	Current Tax	-
	Stamp Duty	20
	Value Added Tax	53,500
		<u>53,520</u>

	Rs. '000
Administration Expenses	
Office Rent	21,593
Insurance (W1)	12,978
Personnel Related Expenses (W2)	150,285
Electricity Charges	2,000
Staff Quarters repair	5,000
Main Office Premises & Equipment	4,000
Security Charges	3,000
Printing & Stationary	1,500
Computer Expenses	1,000
Newspapers & Periodicals	600
Membership & Subscription	2,000
Communication Expenses	6,775
Vehicles Maintenance	6,000
Foreign Travel Expenses	2,200
Local Travel	4,500
Publicity & Advertisement	2,700
Hospitality to Foreign Visitors & Entertainment	1,200
Renting of Motor Vehicles	3,342
Compliment & Presentations	100
Subscription for Annual Business Council	200
Director Fees	347
Audit Fees	600
Tender Committee Allowance & Expenses	500
Management & System Audit Fee	-
Professional & Legal Fees	1,400
Virus Guards	-
Donations	200
Stamp Duty	30
Bank Charges	2,900
Provision for Gratuity	2,927
Modernize CSC Premises	-
Depreciation	17,416
Miscellaneous Expenses	1,000
	<u>258,291</u>

	Rs. '000
Administration Expenses	Per Month
2019/2020 Budgeted	21,524

Exchange Rate (USD) 180.00

Rs. '000

W1	Insurance	
	Cash in Safe	12
	Cash in Transit	11
	CSCL Property	19
	Motor Insurance	491
	Personal Accident	445
	SHE (in house)	12,000
	OPD	-
		<u>12,978</u>
W2	Personnel Related Expenses	
	Gross Salaries	99,667
	Over Time	15,855
	EPF	11,394
	ETF	2,279
	Bonus	4,690
	Medical Leave Pay	4,190
	Hardship Allowance	1,375
	Training Cost (W 2.1)	2,000
	Promotions & External Recruitments (W 2.2)	5,746
	Welfare Cost (W 2.3)	3,089
	Total Cost	<u>150,285</u>

W 2.1	<u>Training Cost</u>	Rs. '000
	Individual Training	
	Seminars & Workshops	2,000
		<u>2,000</u>
W 2.2	<u>External Recruitments</u>	
	01 AGM	1,998
	01 Deputy Manager	845
	01 Secretary P/A	721
	01 Associate Officer	579
	02 Management Assistant	1,078
	01 Driver	525
		<u>5,746</u>
W 2.3	<u>Welfare Cost</u>	
	Cost for the Excursion	-
	Welfare Grant	-
	Uniform Cost	589
	Tea	2,500
		<u>3,089</u>
W 3	Insurance - Fixed Operating Expenses (Rs.)	
		NVOCC
	P & I Insurance(NVOCC)	1,189
		<u>1,189</u>

Ceylon Shipping Corporation Ltd
Performance Indicators
For the year ended 31st March 2020

1 Performance Ratios

$$1.1 \text{ Gross Profit Margin} = \frac{(\text{Sales} - \text{Cost of Sales})}{\text{Revenue}} \times 100$$

25.58%

$$1.2 \text{ Operation Profit Margin} = \frac{\text{Operating Profit}}{\text{Revenue}} \times 100$$

19.02%

$$1.3 \text{ Net Profit Margin} = \frac{\text{Net Profit}}{\text{Revenue}} \times 100$$

-8.78%

2 Return on Capital Ratios

$$2.1 \text{ Return on Capital Employed} = \frac{\text{Profit}}{\text{Capital Employed}} \times 100$$

-2.8%

$$2.2 \text{ Return on Assets} = \frac{\text{Operating Profit}}{\text{Total Assets}} \times 100$$

5.66%

3 Liquidity Ratio

$$3.1 \text{ Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

2.25